GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

STARRED QUESTION NO:119
ANSWERED ON:01.03.2001
GROSS REGISTERED TONNAGE OF SHIPS
UMMAREDDY VENKATESWARLU

Will the Minister of SHIPPING be pleased to state:

(a) whether the Government have any proposal to ensure that the gross registered tonnage of Indian Ships does not decrease;

(b) If so, the incentives or policy initiatives proposed to be taken by the Government to maintain a high level of registered Indian Shipping;

(c) the steps proposed to be taken to protect the Indian Shipping;

(d) whether the Government propose to create a funding agency for the exclusive purpose of financing the purchase of ships; and

(e) if so, the details thereof?

Answer

MINISTER OF LAW JUSTICE & COMPANY AFFAIRS AND SHIPPING (SHRI ARUN JAITLEY)

(a), (b)&(c) Yes, Sir, Tonnage acquisition targets are fixed during the Plan period and efforts are made to provide conducive atmosphere to encourage tonnage addition. The Government had set up a Shipping Policy Committee in 1997 which had examined the various issues relating to shipping industry and identified measures for development of the National Merchant Fleet with reference to the fiscal and other incentives, cargo and allied support mechanisms required for Indian flag vessels. The Committee had made 31 recommendations, out of which 17 have been accepted by the Government and the balance recommendations including the following, are being vigorously pursued with the concerned Ministries:

(i) Tax relief to Indian seafarers

(ii) Enhancement of depreciation from 20% to 40%

(iii) Infrastructure status to Coastal Shipping.

(iv) Introduction of Tonnage Tax in lieu of Corporate Tax.

(d) No, Sir.

(e) Does not arise.